

Private Construction Contractors Association of Slovakia

Monthly Report: August 1996

Prepared for
United States Agency for International Development
under subcontract to
The Urban Institute

Prepared by
Michal Mata
PADCO, Inc.
1025 Thomas Jefferson Street, NW
Suite 170
Washington, DC 20007

USAID East European Regional Housing Assistance Program (180-0034)
Contract No. EPE-0034-C-00-5110-00, RFS 702
September 1996

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0 Internal Affairs

The PCCAS staff prepared as a PCCAS Basic Document the PCCAS Regional Chapter Office Business Plan (Podnikatelsky zamer ASSPS ku ziadosti o poskytnutie prispevku SUPM v zmysle vyhlasky 210/1994 Z.z. od Okresneho uradu prace v Ziline). This document was formulated under the ilina Labor Exchange Regulations. This business plan will be generalized and actualized for all PCCAS Regional Offices (Prievidza, Prešov, Košice, and Holíč) during September 1996. Several people in trade associations and employer's associations evaluated this document as a highly advanced standard trade association document. It is divided into Chapter 1 The Association Description (1.1 Legal Status [Form], 1.2 History and Plans for Future, 1.3 Types of Services, 1.4 The Association Localization, 1.5 The Association Management, 1.6 The Policy for the Staff, 1.7 Financial Management, 1.8 Insurance of the Association, 1.9 Association Secret Securing), Chapter 2 Marketing (2.1 The Final Market, 2.2 Competition, 2.3 Distribution [of information and services], 2.4 Advertisement, 2.5 Price Formation, 2.6 Types of Services, 2.7 The Timing for the Market, 2.8 The Actual Trends in Industry), and Chapter 3 Financial Analysis (3.1 Financial Needs, 3.2 Funds and Their Use, 3.3 Cash Flow, 3.4 The Two-Year Income Plan.) The ilina Government was asked by PCCAS for a no-interest, long-term loan for equipping the PCCAS Regional Office in ilina as a specific labor exchange initiative for small and medium enterprise development, which will create a new job for one full-time employee in this PCCAS regional office. This 10-page document is available upon request.

1 Information Exchange

No specific tasks were accomplished.

2 Membership Activities

The following three construction companies joined PCCAS:

PETEL Petrušák Stanislav
Vranovská 50
SK 080 06 Prešov 6
Number of employees: Four
Electrical Installation for Buildings

PROINST
Kukučínova 23
SK 040 01 Košice
Number of employees: Five
Construction Design Studio

STAVOP-Slovakia s.r.o.
Nám. ¼. túra è. 1
SK 010 01 ilina
Number of employees: Four
Renovation of historical buildings firm

3 Staff Support for PCCAS Entrepreneurs

The PCCAS office in Bratislava was visited by representatives of the company IMPRO s.r.o. and they requested several documents related to the U.S. housing industry that were brought from the U.S. during the PCCAS Housing Study Tour in June/July.

4 Legislative Activities

The PCCAS staff met the director of Direct Taxes of the Ministry of Finance, Mrs. Eva Jáno deáková, and discussed depreciation of irrecoverable debts. The PCCAS Executive Director explained the PCCAS practice that showed that the actual state of the legal procedure is very complicated and that there are great risks for PCCAS members due to the number of non-property debtors. He asked that Slovakia adopt legislation procedures similar to those used in the Czech Republic. Mrs. Jáno deáková explained the Ministry of Finance approach. The Ministry asked several international experts and prepared several models. The key point of funding is the considerable sensitivity of the state budget. In Slovakia, there now about 100 billion Sk (¼ of the state budget) in irrecoverable debts, including irrecoverable loans in banks.

The PCCAS Office began the analysis of the Slovak Housing Act and cooperation with several Political Clubs in the Slovak National Council.

5 Cooperation with Association and Groups

The PCCAS staff participated in regular meetings of the Federation of Employer s Associations and Unions.

PCCAS had several meetings with the Chairman and Executive Officer of the Slovak Chamber of Civil Engineers (SCCE). The result of the negotiation was the signing of a contract between SCCE and PCCAS. Under the new SCCE regulations, the date and the time of the Seminar for Preparation for the State Examination for Selected Activities in the Construction Industry were set. It is one of the most important sources of non-dues-oriented revenue income for PCCAS this year. This activity is organized by PCCAS in Bratislava, ilina, and Prievidza PCCAS Regional Offices.

6 International Affairs

The PCCAS staff is translating the application forms from the Eastern European Real Property Foundation for their support of PCCAS Educational Programs. This work will be completed in early September 1996 and sent to the U.S.

The PCCAS staff met the USAID representative in Slovakia for housing and government affairs, Mr. George A. Williams, and informed him briefly about the PCCAS Housing Study Tour in the U.S.

The PCCAS staff has started cooperating with a Canadian investor for the preparation of the construction of the Central City Shopping Centre in Bratislava. This foreign investment activity was developed by a Hungarian/Canadian investment lobby. PCCAS has the official support of the Hungarian Ambassador, Mr. Jenö Boro . The investment will reach a level of about \$200 million.

The PCCAS staff met the ex-deputy of the Slovak National Council, Mr. Zaszlos, and the Mayor of Bratislava III District, Mr. Frimmel, and discussed the details about the organization of the construction of the Central City Shopping Center. Mr. Zaszlos informed them that the idea is to build this Center with foreign money but using Slovak construction design studios, engineering firms, and construction contractors. PCCAS requested to be involved in this project as a construction quality management consulting group.

7 Public Relations and Marketing

PCCAS Executive Director Michal Mata was interviewed by the journal MEDIA-KURIER about the housing industry in Slovakia. The interview will be printed in September.

The PCCAS staff visited Mrs. Vamosiyova, the owner and editor-in-chief of MEDIA KURIER, and discussed the details about small construction businesses, namely family house renovation and remodeling in Slovakia. The issues related to financial support for small addition programs related to housing were discussed.

The PCCAS Executive Director prepared the article Housing in America to be printed in the September issue of the journal STAVITELSTVO (The Construction Industry).

The PCCAS Executive Director prepared two small papers about energy saving in housing in the U.S. and about landscaping of family houses in the U.S. It will be printed in the October issue of journal STAVITELSTVO (The Construction Industry).

The article entitled The Roma as a Construction Contractor for the Roma was printed in the journal International Ex-Press, August issue, as was proposed in the July PCCAS Report. The article discussed housing development for Roma, a very complicated problem

in Slovakia and especially in Eastern Slovakia. The article was printed on the third page in the section From Your Pen. The main idea is to design and build the houses for Roma by Roma companies and with the direct work or participation of the Roma homeowners or renters.

⁸Money-Making Activities (Non-Dues-Oriented Revenue)

The PCCAS staff with PCCAS Board Member Mr. Vladimír Svrcek prepared the PCCAS Educational Consulting Service Commercial Catalogue. This catalogue represents one year of experience with PCCAS education and training activity and also addresses the non-dues-oriented revenue programs of PCCAS for the year 1997. Selected activities include: Quality Management, Construction Prices and Calculations, Public Procurement Tenders, Construction Trade Management, Safety and Health in the Construction Industry (electric and general), Effective Relaxation and Communication, Technical Construction Inspection Management, Business Security, among others. The catalogue has a price list and a schedule. This 32-page document is available if desired.

⁹Regional Offices Activities

Several contradictions between the PCCAS office in Bratislava and the Association of Tradesmen in ilina who cooperate in managing the PCCAS Regional Office were identified. After the PCCAS staff visited this office several times, it decided to established its own offices. Mrs. Anna Kabzanová, who had been working as a full-time employee of the Association of Tradesmen in ilina, resigned from her job, and will now work only for PCCAS ilina Regional Office as a PCCAS full-time employee.

Ms. Kabzanová selected a new office to rent that is suitable for use as the PCCAS Regional Office. It is in the same building as the office of PCCAS Vice President Oliver asnocha.

The PCCAS staff and Mrs. Kabzanová started negotiations with the ilina Labor Exchange about government support for the new PCCAS job in this office. The Board Committee of Labor Office supported the PCCAS activity through a non-tax loan of about 80.000 Sk to buy equipment (fax machine, computer, furniture, photocopy machine, etc.) for the new office. The Committee agreed to support this PCCAS activity.

The PCCAS staff and Mrs. Kabzanová prepared the PCCAS Regional Office Business Plan for the Board Committee of the ilina Labor Office of the ilina Government. Several Board Members of this Committee commented that this business plan was progressive, modern, and realistic.

The PCCAS Vice President, Mr. Jozef Novák, introduced the future Executive Director of PCCAS Regional Office in Holí , Mr. Hulák. He was informed about several details about this office, which will start regular activity in mid-October 1996.

Mr. Jakubov discussed his personal involvement in establishing the PCCAS Regional Office in Košice. He prepared the office space and selected suitable personnel. Mr. Jakubov also presented information about specific construction problems in his town (the second largest in Slovakia by population).

10 Technical Assistance Program

The PCCAS staff held its regular conference with Helen English and discussed preparing her trip to Slovakia in September/October 1996. The main task was to finalize several documents that were prepared in the PCCAS office with her support and help. These consisted mainly of the English versions of the PCCAS Membership Catalogue, the PCCAS Construction Marketing Manual, the PCCAS Budget for 1997, the educational programs with cooperation with the Eastern European Real Property Foundation, the translation of the EERPF Work Book, and others.

11 Housing Policy

The PCCAS staff met two times with USAID consultant Doug Diamond and discussed the PCCAS White Paper related to housing development in Slovakia. The result was a decision about U.S. cooperation and support for this specific PCCAS activity. Mr. George A. Williams participated on this discussion.

12 Housing Advocacy Program

Several articles related to this topic were printed and prepared for Slovak journals (see Public Relation and Marketing).